

SBC - Small Business Concern (Borrower)
EPC - Eligible Passive Concern (Real estate holding company)
CDC - Certified Development Corporation (MADCO)

SBA 504 Loan Application Checklist

THE FOLLOWING MUST BE SUBMITTED: (Indicate if Attached (X) or Not Applicable (N/A)).

- _____ 1. A brief history and description of the business, i.e., reasons for expansion, plans, etc. *(1 page or less)*
- _____ 2. Personal History Statement (SBA Form 912) for each officer and director (regardless of ownership) and each proprietor, partner and stockholder with 20% or more ownership of the small business concern (SBC) and, if different, each owner with 20% or more ownership of the eligible passive company (EPC), as well as any person hired to manage day-to-day operations of the business.
- _____ 3. Personal Financial Statement (SBA Form 413) current within 90 days for each proprietor, partner or stockholder with 20% or more ownership of the SBC, and, if different, each owner with 20% or more ownership of the eligible passive concern (EPC), as well as copies of federal income tax returns for the last one (1) year. *(PFS also needs to be signed by spouse -- Tax returns need to be signed by borrower)*
- _____ 4. Resume of the principal(s) involved in the day-to-day management.
- _____ 5. A balance sheet and income statement as well as federal income tax returns for the previous two years for the SBC (or three years, if the alternate 7(a) size standard is being used). If the SBC is a new business, provide a proforma balance sheet with a description of assumptions attached. *(Financials and tax returns need to be signed by Borrower)*
- _____ 6. A balance sheet and income statement dated within 120 days of the application together with an aging of the accounts receivable and accounts payable listed. *(Financials need to be signed by Borrower)*
- _____ 7. Where appropriate, a projected, annualized income statement for the first two years after the loan with a description of assumptions attached.
- _____ 8. For a new business, a monthly cashflow analysis for the first 12 months of operation or for three months beyond the breakeven point (whichever is longer) together with a description of assumptions attached.
- _____ 9. A schedule of debts which includes the original date and amount, monthly payment, interest rate, present balance owed, maturity, to whom payable, and collateral securing the loan for each short-term and long-term loan that the business currently has outstanding or has planned for the next 12 months (other than the 504 loan). Please indicate whether each loan is current or delinquent.
- _____ 10. If applicable, a schedule of any previous government financing received by the applicant small business concern or any affiliated company of the applicant, as well as any associate or principal of the applicant. Include the name of the agency, the original date and amount, the outstanding balance, status of the loan (current, delinquent, paid in full, or charged off), and collateral securing the loan.
- _____ 11. If applicable, the names of affiliated (through ownership or management control) or subsidiary businesses, as well as the last two fiscal year-end financial statements and/or federal income tax returns for the last two years (or three years, if the alternate 7(a) size standard is being used). *(Financials and/or tax returns need to be signed by Borrower)*
- _____ 12. If the business is a franchise, include a copy of the Franchise Agreement and the Franchisor's Disclosure Statement that is required by the Federal Trade Commission.
- _____ 13. A copy of key cost documents such as real estate purchase contract, contractor costs, vendor quotes for machinery and equipment, etc., as well as an itemized listing of estimated "Professional fees" (i.e., appraiser, architect, legal, etc.)
- _____ 14. If applicable, a copy of the existing or proposed lease agreement. *(Only need to submit prior to loan closing)*

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- _____15. An independent appraisal for project real estate. (*Note: MADCO/SBA can approve application subject to receiving an acceptable appraisal*).
- _____16. Environment analysis. (*Environmental Questionnaire completed and signed by owner of property*) For any loan over \$150,000, SBA will also require at a minimum a Records Search with Risk Assessment. (*Note: MADCO/SBA can approve the loan application subject to ordering and receiving an acceptable Environmental Investigation*)
- _____17. A letter from the participating lender stating the terms and conditions of its participation and the reason why it will not finance the entire project.
- _____18. If applicable, a United State Citizenship & Immigration Services (USCIS) verification of the USCIS status of any alien who is an owner of 20% or more of the small business applicant or any person who controls (as defined by SBA regulations and policies) the small business applicant.
- _____19. Credit reports for the SBC, its owner(s), and any affiliated company. (*Note: MADCO can obtain credit reports*)
- _____20. If applicable, a completed SBA Form 159 (Compensation Agreement) for costs incurred by the applicant to third parties (attorney, accountant, etc.) for the preparation of the loan application. (*Only need to submit prior to loan closing*)
- _____21. Application fee of \$1,000.00 made payable to Metro Area Development Corporation. (*Note: The loan application fee is nonrefundable, except if the application is declined by MADCO or SBA then the fee is refunded in full.*)